



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, UT 84145-0155

<http://www.blm.gov>



IN REPLY REFER TO:

3590

UTU-0122694

(UT-923)

MAR 16 2004

CERTIFIED MAIL--Return Receipt Requested

Mr. Gordon Ziegler
Ziegler Mineral and Chemical Corp
366 North Broadway, Suite 210
Jerico, New York 11753

Re: Mining Plan Modification on Federal Gilsonite Lease UTU-0122694, dated:
October 21, 2002

Dear Mr. Ziegler:

Background: The Bureau of Land Management (BLM) Utah State Office, received your mine plan on October 22, 2002. While we were working on the plan, we discovered that there are some old workings in the area that require reclamation. There is an old water tank and an old bathhouse concrete pad that should be removed. This can be done at the same time that the new emergency hoist is put into place. We completed our review of your plan and have identified the following items that should be addressed.

Previous approvals: Ziegler should indicate that you are ready and willing to abide by all previous lease terms, conditions, stipulations/ and all previous mine plan condition of approvals that apply to this action.

Headframe: The plan should include the specifications of the headframe such as approximate height, width and length. You should also identify whether the headframe will require concrete footings and if any guy wires will be necessary. BLM also requires that the plan discuss as how the shaft cover will be removed and assurances that all safety procedures will be followed. If the headframe will be in the White River viewshed, identify how Ziegler proposes to mitigate the issue. Pictures would be helpful.

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MAR 17 2004

DIV. OF OIL, GAS & MINING

Pad Size: The drawing submitted with the plan indicates that the size for the hoist house pad for shaft #1 would be 20 feet by 20 feet. Ziegler needs to verify the size and also state the thickness of the pad and whether reinforcement is necessary. BLM also requires the plan to reflect any excavation that is required in order to level the pad. Ziegler needs to specify the MSHA requirement for clearance around the facility.

Shaft: The plan must include a discussion of the planned modifications to the shaft and the MSHA requirements for clearing around the shaft. Ziegler should also submit a sketch of how the shaft will be secured. A discussion on the security of the hoist house and bullet is also necessary.

Eagles: The lease stipulation on T & E species states that there will be an inventory done on the disturbed areas for T & E species upon entry on the lease. This portion of the lease has not been inventoried lately. On page 19 the original EA states that there was a Bald Eagle nest located 1 mile south east of the proposed mining operation. On page 21 of the original EA there were two golden eagles nesting within 314 feet of the ½ mile buffer zone. Later approvals would not allow construction of a proposed road during Feb 1 to July 15 if a nest was within ½ mile of the road construction. Ziegler should have a survey conducted and submit with their plan in order to identify whether this is an issue. If there is an issue, the AO may require protective measures as required in the lease stipulation for the construction of the pad, headframe, hoisthouse and reclamation of the other facilities. Ziegler should give a date to when they want to start construction so there determination can be made whether there is a resource conflict.

Illumination: Ziegler should discuss the illumination procedures for this area and also discuss when the hoist will be tested.

Previously disturbed area: Ziegler should discuss that this area has been previously disturbed. BLM has done an on-site GPS inventory which we will submit with this request. Ziegler needs to discuss if they plan on stripping the top soil and if they do where it will be placed and how they will protect it.

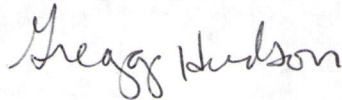
Reclamation: Ziegler should discuss reclamation of the old existing facilities (water tank and bath house floor) in conjunction with the construction of the new facilities or after the hoist house and shaft are no longer utilized. Ziegler should also address how and the timing of the reclamation of the site when activities are completed. Included in this discussion is how the ground will be re-contoured, what type and rate of seed distribution and how the noxious weeds will be controlled. Along with this discussion, a monitoring plan should be provided to address how the site will be monitored until 70% re-vegetation is established (quantity, species and cover).

Gasoline Storage: Ziegler should address how the gasoline will be stored and how much will be stored in the hoist house.

For further information contact Mr. Stan Perkes, (801) 539-4036.

Sincerely,

ACTING



James F. Kohler
Chief, Solids Minerals Branch

Enclosure

Map (GPS previously disturbed area)

cc: Vernal Field Office
Utah Division of Oil, Gas, and Mining (Attn. Doug Jensen)
Mr. Stan Wagner, Star Route, Vernal Utah, 84078

